

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DENNIS C. KELLY,

Plaintiff,

vs

HANDY & HARMAN, WHX CORPORATION,
HANDY & HARMAN SUPPLEMENTAL
EXECUTIVE RETIREMENT PLAN, HANDY &
HARMAN EXECUTIVE POST-RETIREMENT
LIFE INSURANCE PROGRAM, HANDY &
HARMAN PENSION PLAN/WHX PENSION
PLAN, H&H MANAGEMENT INCENTIVE
PLAN, H&H LONG-TERM INCENTIVE PLAN,
INCENTIVE AND NON-QUALIFIED STOCK
OPTION PLAN, AND THE HANDY & HARMAN
POST-RETIREMENT MEDICAL PLAN,

Defendants.

CIVIL ACTION NO.
08CV00163 (KMK)

ANSWER

Defendant Handy & Harman Pension Plan/WHX Pension Plan (“Pension Plan”), by its attorneys, Olshan Grundman Frome Rosenzweig & Wolosky LLP, for its Answer, states:

1. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 1 of the Complaint concerning the Benefit Plans and denies the remaining allegations contained in paragraph 1 of the Complaint.

2. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 2 of the Complaint, except admits that Plaintiff was an employee of Handy & Harman (“H&H”).

3. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 3 of the Complaint, except admits that WHX acquired H&H in April 1998.

4. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 4 of the Complaint, except admits that WHX filed for bankruptcy under Chapter 11 of the U.S. Bankruptcy Code in March 2005.

5. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 5 of the Complaint.

6. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 6 of the Complaint.

7. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 7 of the Complaint.

8. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 8 of the Complaint.

9. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 9 of the Complaint.

10. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 10 of the Complaint.

11. Admits the allegations contained in paragraph 11 of the Complaint.

12. Admits the allegations contained in paragraph 12 of the Complaint.

13. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 13 of the Complaint.

14. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 14 of the Complaint.

15. Denies the allegations contained in paragraph 15 of the Complaint, except admits that the H&H/WHX Pension Plan (“Pension Plan”) is a pension plan and at all relevant times Plaintiff was a participant of the Pension Plan.

16. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 16 of the Complaint.

17. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 17 of the Complaint.

18. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 18 of the Complaint.

19. Denies the allegations contained in paragraph 19 of the Complaint, except admits that an H&H Post-Retirement Medical Plan (“Medical Plan”) exists.

20. The allegations contained in paragraph 20 of the Complaint state legal conclusions as to which no response is necessary.

21. The allegations contained in paragraph 21 of the Complaint state legal conclusions as to which no response is necessary. Defendant admits that its principal place of business is New York and denies the remaining allegations contained in paragraph 21 of the Complaint.

22. The allegations contained in paragraph 22 of the Complaint state legal conclusions as to which no response is necessary.

23. Admits the allegations contained in paragraph 23 of the Complaint.

24. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 24 of the Complaint.

25. Admits the allegations contained in paragraph 25 of the Complaint and refers the Court to Plaintiff's employment agreement for its complete terms.

26. Denies the allegations contained in paragraph 26 of the Complaint and refers the Court to Plaintiff's employment agreement for its complete terms.

27. Denies the allegations contained in paragraph 27 of the Complaint and refers the Court to Plaintiff's employment agreement for its complete terms.

28. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 28 of the Complaint.

29. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 29 of the Complaint.

30. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 30 of the Complaint, except admits that WHX acquired H&H in or around April 1998.

31. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 31 of the Complaint, and refers the Court to H&H's Amended and Restated Bylaws for its complete terms.

32. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 32 of the Complaint.

33. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 33 of the Complaint.

34. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 34 of the Complaint.

35. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 35 of the Complaint.

36. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 36 of the Complaint.

37. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 37 of the Complaint.

38. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 38 of the Complaint.

39. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 39 of the Complaint.

40. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 40 of the Complaint.

41. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 41 of the Complaint.

42. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 42 of the Complaint.

43. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 43 of the Complaint.

44. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 44 of the Complaint.

45. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 45 of the Complaint.

46. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 46 of the Complaint.

47. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 47 of the Complaint.

48. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 48 of the Complaint.

49. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 49 of the Complaint.

50. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 50 of the Complaint.

51. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 51 of the Complaint.

52. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 52 of the Complaint.

53. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 53 of the Complaint.

54. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 54 of the Complaint.

55. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 55 of the Complaint.

56. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 56 of the Complaint.

57. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 57 of the Complaint.

58. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 58 of the Complaint.

59. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 59 of the Complaint.

60. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 60 of the Complaint.

61. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 61 of the Complaint.

62. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 62 of the Complaint.

63. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 63 of the Complaint.

64. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 64 of the Complaint.

65. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 65 of the Complaint.

66. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 66 of the Complaint, except admits that H&H is a wholly owned subsidiary of WHX.

67. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 67 of the Complaint, except admits that Steel Partners II, L.P. (“Steel Partners”) acquired a significant interest in WHX.

68. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 68 of the Complaint.

69. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 69 of the Complaint.

70. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 70 of the Complaint.

71. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 71 of the Complaint.

72. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 72 of the Complaint.

73. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 73 of the Complaint.

74. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 74 of the Complaint.

75. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 75 of the Complaint.

76. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 76 of the Complaint.

77. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 77 of the Complaint.

78. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 78 of the Complaint.

79. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 79 of the Complaint.

80. Denies the allegations contained in paragraph 80 of the Complaint, except admits that H&H was acquired by Steel Partners.

81. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 81 of the Complaint, except admits that plaintiff was terminated in September 2005, and refers the Court to the September 15, 2005 letter for its complete contents.

82. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 82 of the Complaint.

83. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 83 of the Complaint and refers the Court to the Amended and Restated Bylaws of its complete contents.

84. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 84 of the Complaint.

85. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 85 of the Complaint.

86. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 86 of the Complaint.

87. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 87 of the Complaint.

88. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 88 of the Complaint.

89. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 89 of the Complaint, except admits that Plaintiff made a demand for benefits under the Pension Plan.

90. Admits the allegations contained in paragraph 90 of the Complaint.

91. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 91 of the Complaint.

92. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 92 of the Complaint.

93. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 93 of the Complaint and refers the Court to the September 27, 2006 letter for its complete contents.

94. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 94 of the Complaint.

95. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 95 of the Complaint.

96. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 96 of the Complaint.

97. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 97 of the Complaint.

98. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 98 of the Complaint.

99. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 99 of the Complaint.

100. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 100 of the Complaint.

101. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 101 of the Complaint.

102. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 102 of the Complaint.

103. Denies the allegations contained in paragraph 103 of the Complaint and refers the Court to the Amended and Restated Bylaws for its complete contents.

104. The allegations contained in paragraph 104 state provisions of the Amended and Restated Bylaws and no response is necessary. Defendant refers the Court to the Amended and Restated Bylaws for its complete contents.

105. The allegations contained in paragraph 105 state provisions of the Amended and Restated Bylaws and no response is necessary. Defendant refers the Court to the Amended and Restated Bylaws for its complete contents.

106. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 106 of the Complaint.

107. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 107 of the Complaint.

108. The allegations contained in paragraph 108 state provisions of the Amended and Restated Bylaws and no response is necessary. Defendant refers the Court to the Amended and Restated Bylaws for its complete contents.

109. The allegations contained in paragraph 109 state provisions of the Amended and Restated Bylaws and no response is necessary. Defendant refers the Court to the Amended and Restated Bylaws for its complete contents.

110. The allegations contained in paragraph 110 state provisions of the Amended and Restated Bylaws and no response is necessary. Defendant refers the Court to the Amended and Restated Bylaws for its complete contents.

111. In response to paragraph 111 of the Complaint, repeats and reiterates its responses to paragraphs 1 through 110 as if set forth at length herein.

112. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 112 of the Complaint.

113. Denies knowledge or information to form a belief as to the truth of the allegations contained in paragraph 113 of the Complaint.

114. Denies knowledge or information to form a belief as to the truth of the allegations contained in paragraph 114 of the Complaint.

115. Denies knowledge or information to form a belief as to the truth of the allegations contained in paragraph 115 of the Complaint.

116. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 116 of the Complaint.

117. In response to paragraph 117 of the Complaint, repeats and reiterates its responses to paragraphs 1 through 116 as if set forth at length herein.

118. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 118 of the Complaint, except admits that Plaintiff was an

employee of H&H who met certain of the eligibility requirements of the Pension Plan and whose benefits were vested.

119. Denies the allegations contained in paragraph 119 of the Complaint.

120. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 120 of the Complaint.

121. The allegations contained in paragraph 121 of the Complaint state legal conclusions to which no response is necessary.

122. In response to paragraph 122 of the Complaint, repeats and reiterates its responses to paragraphs 1 through 121 as if set forth at length herein.

123. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 123 of the Complaint.

124. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 124 of the Complaint.

125. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 125 of the Complaint.

126. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 126 of the Complaint.

127. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 127 of the Complaint.

128. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 128 of the Complaint.

129. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 129 of the Complaint.

130. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 130 of the Complaint.

131. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 131 of the Complaint.

132. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 132 of the Complaint.

133. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 133 of the Complaint.

134. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 134 of the Complaint.

135. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 135 of the Complaint.

136. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 136 of the Complaint.

137. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 137 of the Complaint.

138. In response to paragraph 138 of the Complaint, repeats and reiterates its responses to paragraphs 1 through 137 as if set forth at length herein.

139. Denies the allegations in paragraph 139 of the Complaint, except admits that the Pension Plan is a plan under ERISA §3(2).

140. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 140 of the Complaint.

141. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 141 of the Complaint.

142. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 142 of the Complaint except admits plaintiff met the eligibility requirement for the Pension Plan.

143. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 143, except admits that Plaintiff's benefits under the Pension Plan are vested and that he has met certain of the conditions to receive such benefits.

144. Denies the allegations contained in paragraph 144 of the Complaint, except admits that Plaintiff made a demand for benefits under the Pension Plan on April 26, 2006.

145. Admits the allegations contained in paragraph 145 of the Complaint.

146. Denies the allegations contained in paragraph 146 of the Complaint.

147. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 147 of the Complaint.

148. Denies the allegations contained in paragraph 148 of the Complaint concerning the Pension Plan, except denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 148 concerning the Life Insurance Program and Medical Plan..

149. Denies the allegations contained in paragraph 149 of the Complaint concerning the Pension Plan, except denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 149 concerning the Life Insurance Program and Medical Plan.

150. Denies the allegations contained in paragraph 150 of the Complaint concerning the Pension Plan, except denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 150 concerning the Life Insurance Program and Medical Plan.

151. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 151 of the Complaint.

152. In response to paragraph 152 of the Complaint, repeats and reiterates its responses to paragraphs 1 through 151 as if set forth at length herein.

153. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 153 of the Complaint.

154. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 154 of the Complaint.

155. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 155 of the Complaint.

156. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 156 of the Complaint.

157. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 157 of the Complaint.

158. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 158 of the Complaint.

159. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 159 of the Complaint.

160. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 160 of the Complaint.

161. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 161 of the Complaint.

162. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 162 of the Complaint.

163. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 163 of the Complaint.

164. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 164 of the Complaint.

165. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 165 of the Complaint.

166. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 166 of the Complaint.

167. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 167 of the Complaint.

168. Denies the allegations contained in paragraph 168 of the Complaint.

169. In response to paragraph 169 of the Complaint, repeats and reiterates its responses to paragraphs 1 through 168 as if set forth at length herein.

170. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 170 of the Complaint.

171. Denies the allegations contained in paragraph 171 of the Complaint, except admit that Plaintiff was employed by H&H at all relevant times and was receiving appropriate benefits as such.

172. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 172 of the Complaint, except admits that the Pension Plan had knowledge that Plaintiff was employed by H&H.

173. Denies the allegations contained in paragraph 173 of the Complaint.

174. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 174 of the Complaint.

175. Denies the allegations contained in paragraph 175 of the Complaint.

176. Denies the allegations contained in paragraph 176 of the Complaint.

177. In response to paragraph 177 of the Complaint, repeats and reiterates its responses to paragraphs 1 through 176 as if set forth at length herein.

178. Denies the allegations contained in paragraph 178 of the Complaint, except admits that the statutes provide for awarding attorney's fees and costs in certain cases.

179. Denies the allegations contained in paragraph 179 of the Complaint.

180. In response to paragraph 180 of the Complaint, repeats and reiterates its responses to paragraphs 1 through 179 as if set forth at length herein.

181. Denies the allegations contained in paragraph 181 of the Complaint.

182. Denies the allegations contained in paragraph 182 of the Complaint.

183. Denies the allegations contained in paragraph 183 of the Complaint.

184. Denies the allegations contained in paragraph 184 of the Complaint.

185. Denies the allegations contained in paragraph 185 of the Complaint.

186. Denies the allegations contained in paragraph 186 of the Complaint.

First Affirmative Defense

The Complaint, and each Count thereof, fails to state a claim against Defendant upon which relief can be granted.

Second Affirmative Defense

Plaintiff has failed to comply with the Pension Plan's procedures to appeal a denial of benefits.

WHEREFORE, Defendant Pension Plan respectfully requests that this Court dismiss the Complaint in its entirety, together with such other and further relief as the Court may deem just and proper.

Dated: New York, New York
March 7, 2008

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